



## UNITED STATES PATENT AND TRADEMARK OFFICE

UNITED STATES DEPARTMENT OF COMMERCE  
United States Patent and Trademark Office  
Address: COMMISSIONER OF PATENTS AND TRADEMARKS  
P.O. Box 1450  
Alexandria, Virginia 22313-1450  
www.uspto.gov

APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
09/975,839	10/11/2001	Andrew Fgendorf	7178-207	4483

27383 7590 05/28/2003

CLIFFORD CHANCE US LLP  
200 PARK AVENUE  
NEW YORK, NY 10166

EXAMINER

FELTEN, DANIEL S

ART UNIT

PAPER NUMBER

3624

DATE MAILED: 05/28/2003

Please find below and/or attached an Office communication concerning this application or proceeding.

**Office Action Summary**Application No.  
**09/975,839**Applicant(s)  
**Egendorf**Examiner  
**Daniel Felten**Art Unit  
**3624**

— The MAILING DATE of this communication appears on the cover sheet with the correspondence address —

**Period for Reply**

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136 (a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If the period for reply specified above is less than thirty (30) days, a reply within the statutory minimum of thirty (30) days will be considered timely.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133).
- Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

**Status**

- 1) ☒ Responsive to communication(s) filed on Feb 7, 2003
- 2a) ☒ This action is FINAL. 2b) ☐ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11; 453 O.G. 213.

**Disposition of Claims**

- 4) ☒ Claim(s) 31-165 is/are pending in the application.
- 4a) Of the above, claim(s) \_\_\_\_\_ is/are withdrawn from consideration.
- 5) ☐ Claim(s) \_\_\_\_\_ is/are allowed.
- 6) ☒ Claim(s) 31-45 is/are rejected.
- 7) ☒ Claim(s) 46-165 is/are objected to.
- 8) ☐ Claims \_\_\_\_\_ are subject to restriction and/or election requirement.

**Application Papers**

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on \_\_\_\_\_ is/are a) ☐ accepted or b) ☐ objected to by the Examiner.  
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
- 11) ☐ The proposed drawing correction filed on \_\_\_\_\_ is: a) ☐ approved b) ☐ disapproved by the Examiner.  
If approved, corrected drawings are required in reply to this Office action.
- 12) ☐ The oath or declaration is objected to by the Examiner.

**Priority under 35 U.S.C. §§ 119 and 120**

- 13) ☐ Acknowledgement is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).  
a) ☐ All b) ☐ Some\* c) ☐ None of:
- ☐ Certified copies of the priority documents have been received.
  - ☐ Certified copies of the priority documents have been received in Application No. \_\_\_\_\_.
  - ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).
- \*See the attached detailed Office action for a list of the certified copies not received.
- 14) ☐ Acknowledgement is made of a claim for domestic priority under 35 U.S.C. § 119(e).  
a) ☐ The translation of the foreign language provisional application has been received.
- 15) ☐ Acknowledgement is made of a claim for domestic priority under 35 U.S.C. §§ 120 and/or 121.

**Attachment(s)**

- 1) ☐ Notice of References Cited (PTO-892) 4) ☐ Interview Summary (PTO-413) Paper No(s). \_\_\_\_\_
- 2) ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948) 5) ☐ Notice of Informal Patent Application (PTO-152)
- 3) ☐ Information Disclosure Statement(s) (PTO-1448) Paper No(s). \_\_\_\_\_ 6) ☐ Other:

Serial Number: 09/975,839

Applicant(s): Egendorf (705/40)

Page 2

Art Unit: 3624

Representative: Schaefer (26,802)

---

**DETAILED ACTION**

1  
2 1. Receipt of the amendment filed February 7, 2003 adding claims 46-165 is  
3 acknowledged. Claims 31-165 are pending in the application and are presented to be examined  
4 upon their merits. The Remarks regarding reconsideration of the application are also  
5 acknowledged. Examiner would like to thank applicant and applicant's representative for  
6 remarks made toward applicant's invention during the personal interview January 28, 2003.

7  
8  
9 ***Response to Arguments***

10 2. Applicant's arguments regarding claims 31-45, filed February 7, 2003 have been fully  
11 considered but they are not persuasive. It is respectfully submitted to the applicant that  
12 references, in determining obviousness are not read in isolation but for what they fairly teach  
13 in combination, or what the combined teachings when taken as a whole, would have suggested  
14 to one of ordinary skill in the art (see In re Keller, 642 F.2d 413, 208 USPQ 871 (CCPA  
15 1981); and In re McLaughlin, 443 F.2d 1392, 170 USPQ 209 (CCPA 1971).

16 In response to applicant's argument that there is no suggestion to combine the  
17 references, the Examiner recognizes references cannot be arbitrarily combined and that there  
18 must be some reason why one skilled in the art would be motivated to make the proposed

Serial Number: 09/975,839

Applicant(s): Egendorf (705/40)

Page 3

Art Unit: 3624

Representative: Schaefer (26,802)

1 combination of primary references and secondary references [see In re Nomija, 184 USPQ 607  
2 (CCPA 1975)]. However, the test for combining references is what the combination of  
3 disclosures taken as a whole would *suggest* to one of ordinary skill in the art (see In re  
4 McLaughlin, 443 F.2d 1392, 170 USPQ 209 (CCPA 1971)). As addressed in the Office Action  
5 dated October 17, 2002 and identically addressed herein the substitution of the Internet Billing  
6 Server (IBS) for the Billing computer suggests a substitution of *art recognized equivalents* in  
7 as much as both the IBS and the Billing computer provide a user/customer access to  
8 information/services over a network and charging a user for services rendered by the system  
9 and billing for items/services made with a particular vendor. The examiner agrees that there  
10 may be differences in the security level of the Internet network and a Public Switched  
11 Telephone Network, however, both networks as presented in the prior art are equivalent in as  
12 much as they both allow a user to access and provide various information and/or services. It is  
13 also respectfully submitted that since the Internet network can be used via telephone lines, an  
14 artisan of ordinary skill in the art during the time of the invention would have recognized the  
15 service code in the PSTN system as providing a greater level of security and would have  
16 sought the latest technology to provide at least the same level of security within the Internet  
17 network that would compare to the service code within the PSTN. Thus it would be obvious  
18 for an artisan or ordinary skill in art to provide security within the Internet network for making  
19 various financial transactions involving billing, procurement, etc.

Serial Number: 09/975,839

Applicant(s): Egendorf (705/40)

Page 4

Art Unit: 3624

Representative: Schaefer (26,802)

*Claim Rejections - 35 USC § 103*

3. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

4. Claims 31-45 are rejected under 35 U.S.C. 103(a) as being unpatentable over Silver et al (hereinafter "Silver", US 5,146,491) and Carnegie Mellon University Information Networking Institute, "Internet Billing Server Prototype Scope Document INI Technical Report 1993-1" (October 14, 1993) (hereinafter "IBS") in view of each other.

As in claims 31, 32, 44, 45, Silver discloses an Internet billing method for a plurality of customers and plurality of vendors of products or services for transactions between a plurality of vendors of products or services for transactions between a purchasing customer, of the plurality of customers and a selling vendor of the plurality of vendors (see Silver, col. 1, ll. 60-66; col. 2, ll. 14-26),

wherein, for each purchase transaction between the purchasing customer and the selling vendor, a first amount is charged to the purchasing customer and second amount is remitted to the selling vendor (see Silver col. 1, ll. 23-34), the method comprising the steps by a third party to the purchase transaction of:

Serial Number: 09/975,839

Applicant(s): Egendorf (708/40)

Page 5

Art Unit: 3624

Representative: Schaefer (26,802)

1 (a) establishing a billing agreement with the purchasing customer to permit the third  
2 party to charge the purchasing customer and to remit a selling vendor for a purchase  
3 transaction (see Silver, col. 1, ll. 23-28);

4 (b) establishing a remitting agreement with the purchasing customer to permit the third  
5 party to charge the purchasing customer and to remit to a selling vendor for a purchase  
6 transaction (see Silver, col. 1, ll. 23-28);

7 (c) receiving authorization from the purchasing customer to charge the first amount to  
8 the purchasing customer without previously receiving a request from the selling vendor to  
9 charge the first amount to the purchasing customer (see Silver, col. 1, ll. 35-47);

10 (d) charging the first amount to the purchasing customer in accordance with the billing  
11 agreement (see Silver, col. 2, ll. 15-27); and

12 (e) remitting the second amount to the selling vendor in accordance with the remitting  
13 agreement (see Silver, col. 2, ll. 15-27).

14 as in claim 33, the communications link comprises a communications link through  
15 equipment of the third party (see Silver col. 1, ll. 60-66).

16 as in claims 34-36, wherein no credit card account number of the purchasing customer  
17 and no bank account number of the purchasing customer is transmitted by the third party to the  
18 selling vendor prior to the step of remitting (see Silver, col. col. 3, ll. 16-31)

Serial Number: 09/975,839

Applicant(s): Egendorf (705/40)

Page 6

Art Unit: 3624

Representative: Schaefer (26,802)

1 as in claim 37, wherein the third party is a cable television company, a company  
2 offering financial services, and Internet access provider, or a telephone company (see Silver,  
3 Abstract).

4 as in claim 38, the step of obtaining approval for charging the first amount from a party  
5 other than the purchasing customer and selling vendor prior to the step of charging (see Silver,  
6 col. 1, ll. 22-27).

7 as in claim 39, the party other than the purchasing customer and selling vendor is a  
8 bank, a company offering financial services, a credit card company, an Internet access  
9 provider, or the third party (see Silver, col. 1, ll. 23-34).

10 as in claim 40, the step of charging comprises sending a bill or charging an account  
11 with a bank, a cable television company, an company offering financial services, a credit card  
12 company, an Internet access provider, a telephone company, or a third party (see Silver, col.  
13 1, ll. 35-41).

14 as in claim 41, the remitting comprises sending a check or crediting an account with a  
15 bank, cable television company, a company offering financial services, a credit card company,  
16 an Internet access provider, a telephone company, or a third party (see Silver, col. 2, ll. 14-  
17 26).

18 as in claim 42, the second amount is less than the first amount (see Silver, col. 2, ll.  
19 14-27).

Serial Number: 09/975,839

Applicant(s): Egendorf (705/447)

Page 7

Art Unit: 3624

Representative: Schaefer (26,802)

1 as in claim 43, the step of remitting is performed before the step of charging (see  
2 Silver, col. 4, ll. 13+).

3 IBS discloses an Internet billing Server that can provide billing and advertisement  
4 (directory) services over the Internet between customers and vendors (see whole article).

5 In view of the IBS's, teaching it would have been obvious for an artisan at the time the  
6 invention was made to substitute the Internet Billing Server ("IBS") for the notoriously old and  
7 well known Billing computer disclosed in Silver because an artisan of ordinary skill in the art  
8 would have recognized that such a modification would have constituted a substitution of art  
9 recognized equivalents in as much as both the IBS and the Billing computer provide a user  
10 access to information/services over a network and charging a user for services rendered by the  
11 system and billing for items/services made with a particular vendor. Therefore such a  
12 modification would have constituted an obvious expedient well within the ordinary skill in the  
13 art.

14 On the other hand, it would have been obvious for an artisan at the time of the  
15 invention of IBS to integrate/implement the telephone billing method of Silver because an  
16 artisan at the time of the invention would recognize the simplicity and convenience of utilizing  
17 the Silver method of receiving goods and services over a network, whereby the address and  
18 billing information is automatically received by the system so that the user need not to enter  
19 such information when using the system, and that charges due to system usage are considered



Serial Number: 09/975,839

Applicant(s): Egendorf (705/40)

Page 8

Art Unit: 3624

Representative: Schaefer (26,802)

---

1 separate from customer purchases made from a vendor through the system. Thus such methods  
2 would have been an obvious expedient to one of ordinary skill in the art.  
3  
4

5 *Allowable Subject Matter*

6 5. Claims 46-165 are objected to as being dependent upon a rejected base claim, but  
7 would be allowable if rewritten in independent form including all of the limitations of the base  
8 claim and any intervening claims.

9 6. The following is a statement of reasons for the indication of allowable subject matter:

10 The prior art of record does not disclose in combination with the other limitations the  
11 following dependently claimed limitations:

12 Claims 46-53, recite wherein the step of receiving is performed after purchasing  
13 customer and selling vendor have agreed to enter a purchase transaction.

14 Claims 54-69, recite the step of establishing a remitting agreement does not require the  
15 3rd party to charge the purchasing customer.

16 Claims 70-101, recite the step of establishing a billing agreement the 3rd party does  
17 not approve an agreement between the purchasing customer and the selling vendor to enter into  
18 the purchase transaction.

Serial Number: 09/975,839

Applicant(s): Egendorf (705/40)

Page 9

Art Unit: 3624

Representative: Schaefer (26,802)

1 Claim 102-165, recite step of establishing a billing agreement the third party does not  
2 transfer ownership of the product or service from the selling vendor to the purchasing  
3 customer.

4  
5 **Conclusion**

6  
7 7. **THIS ACTION IS MADE FINAL.** Applicant is reminded of the extension of  
8 time policy as set forth in 37 CFR 1.136(a).

9 A shortened statutory period for reply to this final action is set to expire THREE  
10 MONTHS from the mailing date of this action. In the event a first reply is filed within TWO  
11 MONTHS of the mailing date of this final action and the advisory action is not mailed until after  
12 the end of the THREE-MONTH shortened statutory period, then the shortened statutory period  
13 will expire on the date the advisory action is mailed, and any extension fee pursuant to 37 CFR  
14 1.136(a) will be calculated from the mailing date of the advisory action. In no event, however,  
15 will the statutory period for reply expire later than SIX MONTHS from the mailing date of this  
16 final action.

17  
18 8. Any inquiry concerning this communication or earlier communications from the examiner  
19 should be directed to *Daniel S. Felten* whose telephone number is (703) 305-0724. The  
20 examiner can normally be reached between the hours of 7:00AM to 5:30PM Monday-Thursday.  
21 Any inquiry of a general nature relating to the status of this application or its proceedings should  
22 be directed to the Customer Service Office (703) 306-5631, or the examiner's supervisor  
23 *Vincent Millin* whose telephone number is (703) 308-1065.

24

Serial Number: 09/975,839

Applicant(s): Egendorf (701/40)

Page 10

Art Unit: 3624

Representative: Schaefer (26,802)

9. Response to this action should be mailed to:

Commissioner of Patents and Trademarks

Washington, D.C. 20231

for formal communications intended for entry, or (703) 305-0040, for informal or draft communications, please label "Proposed" or "Draft".

Communications via Internet e-mail regarding this application, other than those under 35 U.S.C. 132 or which otherwise require a signature, may be used by the applicant and should be addressed to [daniel.felten@uspto.gov].

All Internet e-mail communications will be made of record in the application file. PTO employees do not engage in Internet communications where there exists a possibility that sensitive information could be identified or exchanged unless the record includes a properly signed express waiver of the confidentiality requirements of 35 U.S.C. 122. This is more clearly set forth in the Interim Internet Usage Policy published in the Official Gazette of the Patent and Trademark on February 25, 1997 at 1 195 OG 89.

DSF

April 21, 2003

VINCENT MILLIN  
SUPERVISORY PATENT EXAMINER  
TECHNOLOGY CENTER 2-300